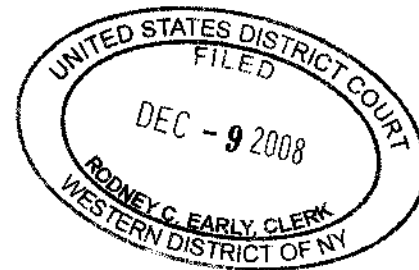


**MANDATE**

UNITED STATES COURT OF APPEAL  
FOR THE SECOND CIRCUIT

In Re:

ALLEN D. SAUNDERS  
MICHELE M. SAUNDERS,

07-5284-bk

Debtors.

ALLEN D. SAUNDERS,  
MICHELE M. SAUNDERS,

Debtors-Appellants,

-vs-

KENNETH W. GORDON,  
KATHLEEN SCHMITT,

Trustees-Appellees.

**STIPULATED ORDER SETTLING APPEAL**

Debtors-Appellants and Trustees-Appellees, by their respective attorneys, hereby stipulate and agree:

1. On September 24, 2008, the United States Court of Appeals for the Second Circuit rendered its decision on the appeal of James Wornick and Karen Wornick v. Thomas Gaffney, Trustee, Docket No. 07-1657-BK ("Wornick"), \_\_\_\_\_ F.3d \_\_\_\_\_ (2<sup>nd</sup> Cir. September 24, 2008).

2. The basic facts and circumstances surrounding Wornick are identical in all respects to the basic facts and circumstances presented in the above-captioned appeal, except for the amounts of the cash surrender value of the life insurance owned by each of the Debtors.

3. The Wornick decision overruled and reversed the case law on which the Trustees-Appellees relied on appeal and, instead, relied on cases and principles of law cited and argued by the Debtors-Appellants in this case as reasons to reverse the order on appeal to this Court.

Certified:

OCT 28 2008

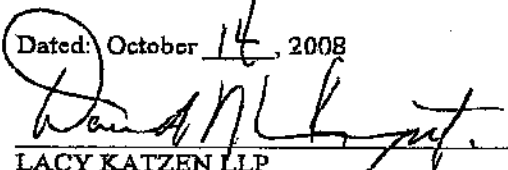
4. The attorneys for the parties stipulate to an order settling the appeal by the Court entering an order that:

a) Reverses the order on appeal denying Debtors-Appellants' claims of exemptions in their life insurance policies and the cash surrender values of their life insurance policies;

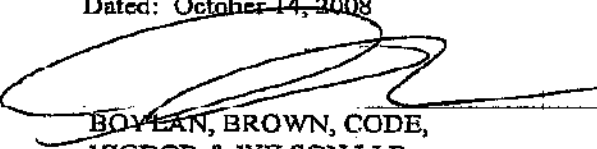
b) Orders and decrees that the Debtors-Appellants' claims of exemptions in their life insurance policies and the cash surrender values of their life insurance policies are upheld and the Debtors' life insurance policies and the accumulated cash surrender values under the policies are set aside as exemption; and

c) Directs that the parties shall each bear their own costs, disbursements and expenses of the exemption objection proceedings and the appeals from orders of the Bankruptcy Court and District Court.

Dated: October 14, 2008

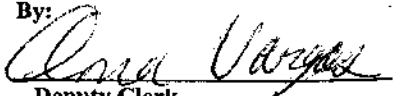
  
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Dated: October 14, 2008

  
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Telephone: (585) 232-5300

SO ORDERED:  
FOR THE COURT,  
Catherine O'Hagan Wolfe, Clerk of Court

By:

  
Deputy Clerk

10/23/08  
(Date)



A TRUE COPY  
Catherine O'Hagan Wolfe, Clerk

by   
DEPUTY CLERK